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UNCLAS SECTION 01 OF 02 TEGUCIGALPA 001969

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E.O. 12958: N/A TAGS: <u>EAID</u> <u>HO</u>

SUBJECT: PROPOSED SUPPORT BY ASHA TO THE PAN AMERICAN

SCHOOL OF AGRICULTURE LOCATED IN HONDURAS
REF: SECSTATE 175560 dated August 13, 2004

The present cable provides comments regarding the Pan-American School of Agriculture (AKA Zamorano) request for financial assistance from American Schools and Hospitals Abroad.

Zamorano has requested \$1,126,000 for the following actions/investments:

- $\underline{\phantom{0}}$ 1. Increase the storage capacity of a reservoir used for irrigation from 30,000 cubic meters to 340,000 cubic meters.
- 12. Increase the cultivated area under irrigation by adding 96 hectares.
- 13. Increase the plantation forest area under irrigation by adding 45 hectares.
- 14. Purchase timber harvesting equipment (a skidder).
- 15. Purchase wood processing equipment and improving the wood processing area.
- 16. Construction and furnishing of a women's dormitory.

In response to the request for comments, USAID/Honduras is pleased to provide the following comments regarding the Pan-American Agriculture School, Zamorano:

Zamorano is a private U.S. chartered non-profit organization that has been in existence for 60 years. Zamorano is recognized as the premier agricultural institution in Honduras because of its high standards and reputation of excellence in the workplace established by its graduates over the years.

Zamorano graduates are key contributors to the agricultural development of all of the Central American countries.

At the Central American level, four institutions are recognized as quality centers of higher learning: CATIE, INCAE, EARTH and ZAMORANO.

The combination of quality staff and field experience possessed by Zamorano cannot be matched by any other Honduran agriculture institution.

Zamorano's training program is recognized and accredited in various U.S. universities with premier agricultural programs. U.S. universities such as Cornell, Purdue, Auburn, and Iowa State have developed collaborative research, faculty exchange, and international training programs with Zamorano.

SICE, the "Foreign Trade Information System" of the Trade Unit of the Organization of American States (OAS) indicates that:

"The Zamorano Pan American School is a good example of what is needed in terms of improving the human resources of a nation in order to offer skills to industry. Zamorano is a world-class, specialized undergraduate institution. It is dedicated to spreading expertise in agro-industry in which the region has a solid opportunity to build a market leadership position. It is a regional institution, attracting bright young people from all over Latin America. It offers direct assistance to the farming sector in those countries. It has research facilities which are creating and disseminating knowledge about new agricultural technology, methods and systems."

USAID/Honduras cables to ASHA from previous years amply describe Zamorano's background, the excellence of its training program and faculty, and the constant collaboration that Zamorano has provided in the execution of USAID's development programs. At present, Zamorano is executing a one-year cooperative agreement with USAID in water resource management activities.

Zamorano is constantly improving its capacity and focus according to the changing needs of Latin America. F example, Zamorano has recently changed from a threeyear program with an additional one-year specialization to a four-year, university-level academic program. Zamorano now offers four career paths: agribusiness development, agricultural science and production, agro industry, and socioeconomic development and environment. Beyond the classroom, students learn-by-doing as they participate actively in planning, production, and marketing activities related to educational business operations called ZamoEnterprises. The new program begins with a two-year core curriculum comprised of courses and learning-by-doing activities offered by each of the four careers and six ZamoEnterpirses. During their third and fourth years, students undertake a specialized program of study in one of the four careers and return to the ZamoEnterprises to further develop their skills and deepen their knowledge. In addition, Zamorano and the University of New Mexico are presently executing a two-year collaborative program to establish a Central American Water Resources Development Center and training Honduran professionals in water resource management.

Zamorano is a non-sectarian institution. There is no religious orientation nor is religion a factor in the curriculum or entrance requirements. Since Zamorano serves predominantly Catholic countries, the majority of the students are Catholic but the institutional atmosphere provides an open welcome to students or faculty of every religious belief.

We concur with Zamorano that the current water storage capacity is already insufficient and that a major expansion of Zamorano's water storage capacity is necessary to expand the area under irrigation. Zamorano has indicated that, during the dry months, the daily requirement to properly attend the land area presently apt for irrigation exceeds the supply by almost 3,000 cubic meters. Therefore, to place additional land under irrigation, the large increase in water storage capacity proposed by Zamorano is necessary. We also concur that Zamorano, as a regional leader in agriculture, must improve its water catchments, irrigation and water management practices to generate and transfer appropriate technologies.

USAID concurs that Zamorano must improve its forest harvesting and processing equipment to be able to execute and teach sustainable forest management practices and efficient wood processing techniques. The skidder being requested will complement the cable extraction equipment being purchased under ASHA Grant 4842. The sawmill improvements along with the wood products facility will allow Zamorano to teach and promote cost effective production and value added alternatives.

USAID also concurs with Zamorano's proposal to construct a dormitory for women. Already one-third of Zamorano's student body is women and it is projected that this percentage will rise in the future. Also, the present lack of dormitory space is limiting enrolment and forcing less than optimal spacing for some students (living three to a room instead of the normal arrangement of two per room). The construction of an additional dormitory facility for women will allow Zamorano to accommodate the increased number of female applicants and to improve the living space provided to the students.

USAID/Honduras supports the objectives of Zamorano's request, but suggests that a grant contain conditionality that the institution complies with all the required environmental actions, reporting, and monitoring applicable to USAID-financed activities, including those set forth in title 22 of the United States Code of Federal Regulations, part 216 and with the requirements of the Foreign Assistance Act, Section 118 Tropical Forest.

Section 118 of the FAA indicates that the President shall deny assistance to developing countries for the procurement of logging equipment, unless an environmental assessment indicates that all timber harvesting operations involved will be conducted in an environmentally sound manner which minimizes forest destruction.

If you require additional information regarding environmental compliance, please contact the agency's environmental coordinator, James Hester, jhester@usaid.gov.

Any questions about the comments which USAID/Honduras provides in this cable may be addressed to Ramon Alvarez, Mission Forestry Advisor, by cable or e-mail, ralvarez@usaid.gov. Regards.

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